

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director



GARY R. HERBERT Lieutenant Governor

August 26, 2005

Lance Heaton Cable Mountain, LLC P.O. Box 704 Lehi, Utah 84043

Subject: Second Notice - Delinquent Permit Fees - Further Mining is Suspended

Dear Mr. Heaton:

The Division has not received the annual permit fee payment(s) for the 2005 fiscal year, which were due on or before July 29, 2005 (see R647-2-101.6, R647-3-1-1.7, and R647-4-101.5). Non-payment of permit fees is a violation of the Minerals Regulatory Program and suspends an operator's authorization to conduct exploration or mining operations. YOUR AUTHORIZATION TO CONDUCT EXPLORATION OR MINING ACTIVITIES IS SUSPENDED, UNTIL THIS BILLING REQUIREMENT IS RESOLVED. Permit fees are required until the site has been fully released in writing by the Division.

We have enclosed a "Delinquency Notice" billing statement along with this letter. Please return the bottom portion of your billing statement to ensure the payment is posted to the correct account. Operations may resume upon our receipt of the required fees. If you have already sent in your payment, please accept our thanks and disregard this notice.

The Division will allow you until September 9, 2005 to pay the delinquent permit fees before issuing a Notice of Violation for non-payment, which will carry a fine and penalty. Continuing mining activities before the fee is paid will result in a Cessation Order which carries a separate fine and penalty. Please be advised that fines and penalties are assessed for each separate violation.

We hope to avoid taking any enforcement action regarding the fee payments. Please: 1) submit your payment by September 9, 2005; 2) check the box, if the site is fully reclaimed and revegetated, thereby requesting a site inspection to close the file; or 3) contact me immediately at (801) 538-5358 or Joelle Burns at (801) 538-5291.

Sincerely,

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

2 Haddock

SMW:jb

Enclosure: Delinquency Notice

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Utah!



Division Director



1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

CABLE MOUNTAIN LLC PO BOX 704 LEHI UT 84043

ATTENTION: LANCE HEATON

DELINQUENCY NOTICE	Annual Permit Fees (July 2004 thru June 2005)			
PROJECT NAME	PROJECT ID	ACRES	BILLING DATE	
ROCKWELL MINE	M490011	33	06/28/2005	
PERMIT TYPE	PROJECT STATUS		ANNUAL FEE	
LARGE MINING OPERATION < 50 ACRES	ACTIVE		Et distinct in the brief of \$2,500 files on \$50 is not seen	
			\$ 500	

DUE DATE	AMOUNT DUE
09/09/2005	\$ 500

Please see enclosed instructions for payment.

Please retain this portion for your records. For billing Information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

CABLE MOUNTAIN LLC		PROJECT NAME ROCKWELL MINE		PROJECTID	
				M490011	
DUE DATE	ANNUAL FEE	AMOUNT DUE	FEE NOT ENCLOSED	Change of Address Contact	
09/09/2005	\$ 500	\$ 500	Permittee requests		
TAX ID OR SOCIAL SECURITY #			an inspection to close out this permit.	Address	
DIVISION OF OIL GAS AND MINING 1594 WEST NORTH TEMPLE SUITE 1210		E-mail address			
PO BOX 145801			State Zip		
SALT LAKE CITY UT 84114-5801			Phone	······	

Please make check payable to:
Division of Oil, Gas and Mining